

FINANCIAL AID BASICS

What Students & Families
Need to Know

NACAC

National Association for
College Admission Counseling

Questions that we will answer in this presentation

1

How much does college cost, and what is included in the total cost?

2

What is the difference between grants, scholarships, loans, and work-study?

3

How does a student receive financial aid?





**More than half of all
students attending
college in the United
States receive some
form of financial
assistance.**

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COLLEGE COSTS

Knowledge is Power



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NET PRICE

NET PRICE is the amount that a student pays to attend an institution in a single academic year **AFTER** subtracting scholarships and grants the student receives.

Focus on the NET PRICE.

Not the STICKER Price.

NET PRICE CALCULATORS



NET PRICE CALCULATORS

Available on a college's website, net price calculators can help prospective students get a better handle on what they will be expected to pay.

Students enter information about their family's financial situation to learn what similar students paid to attend the institution in the previous year.

WHY ARE NET PRICE CALCULATORS IMPORTANT?

Knowing your net price:

- **Gives you the best idea of what you'll pay for a particular college**
- **Makes comparing colleges easier**
- **Widens your choice of colleges**

NET PRICE CALCULATOR TIPS

- Answer questions accurately
- Remember that this is just an estimate and the actual cost may end up being higher or lower than the estimate provided by the net price calculator

FINANCIAL AID

The Process

THE FINANCIAL AID PROCESS

- **FAFSA** (Free Application for Federal Student Aid) – www.fafsa.ed.gov
- **CSS Profile** – profileonline.collegeboard.com
- **Institutional aid applications**

Be sure to check each individual school's website to find out what forms are required and when they must be filed.

FILE YOUR FAFSA

Each year, the federal government awards roughly \$150 billion to college students through need-based grants, loans, and work-study funds.

Filing the FAFSA ensures you are in the running.

- It is required.
- Watch deadlines.
- Be organized.

AN IMPORTANT DAY



October 1 is the first day that the FAFSA can be completed.

FEDERAL STUDENT AID

Completing the **FAFSA** is the first step in securing **federal aid** for college, career school, or graduate school.

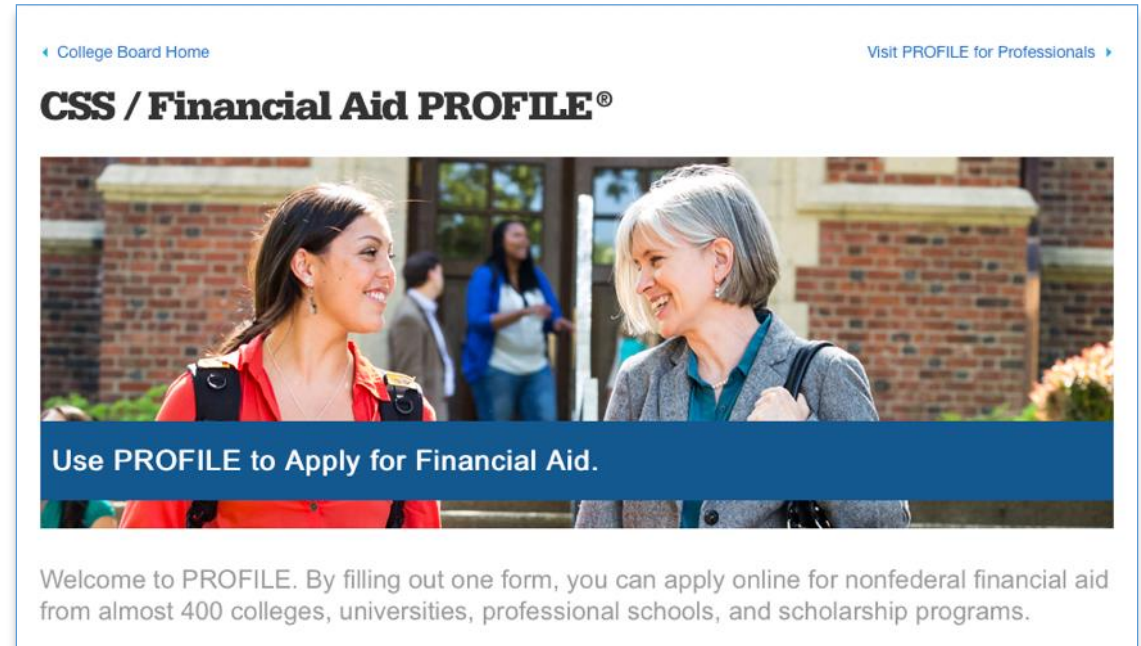


The screenshot shows the Federal Student Aid (FAFSA) website homepage. At the top, it features the "Federal Student Aid" logo, the text "An OFFICE of the U.S. DEPARTMENT of EDUCATION", and the "PROUD SPONSOR of the AMERICAN MIND®" logo. To the right, it says "Free Application for Federal Student Aid" and "FAFSA®". Below this is a navigation bar with icons for Home, About Us, FSA ID, StudentAid.gov, and Help. A search bar is also present. The main heading is "Get help paying for college" with the subtext "Submit a Free Application for Federal Student Aid (FAFSA)". Below this is a banner image showing four diverse students. The page is divided into two main sections: "New to the FAFSA?" with a "Start A New FAFSA" button, and "Returning User?" with a list of options: "Make a correction", "Add a school", and "View your Student Aid Report (SAR), and more...", followed by a "Login" button.

studentaid.ed.gov/sa/fafsa.ed.gov

CSS/ FINANCIAL AID PROFILE

The **PROFILE** is a tool created by the College Board that allows students to complete one form and apply online for **non-federal financial aid** from almost 400 colleges, universities, professional schools, and scholarship programs.



<https://student.collegeboard.org/css-financial-aid-profile>

CSS/ FINANCIAL AID PROFILE TIPS



- Available on **October 1st**
- Use your **College Board Account** to complete the **Financial Aid PROFILE**
- May be **required** by some colleges and universities
- CSS / Financial Aid PROFILE is in **addition** to the FAFSA.

BE SMART ABOUT SCHOLARSHIPS



Thousands of scholarships exist. Some colleges automatically consider all applicants for scholarships. Other scholarships from colleges, universities, and private sources require special applications and additional work and motivation to make it happen.

Never pay money to apply to an outside scholarship.

TAKE STEPS TO MINIMIZE DEBT



The majority of students use loans to help finance their college education.

Don't borrow any more than you absolutely need.

HOW MUCH WILL IT COST?

BILLABLE COSTS

- Tuition and Fees
- On-Campus Room and Board

These costs **will show up** on the college bill.

INDIRECT COSTS

- Books and Supplies
- Off-Campus Room & Board
- Personal Expenses
- Travel Costs

These costs **do not show up** on the college bill.

ASSESSING STUDENT NEED

A **student's financial need** is calculated as the difference between the cost of attending the school, the **Cost of Attendance (COA)** minus any expected financial assistance (EFA), such as gifts or outside scholarships,

and the amount the student and their family is expected to pay, the **Expected Family Contribution (EFC)**


$$\text{COA} - \text{EFC} = \text{Student Financial Need}$$

EXPECTED FAMILY CONTRIBUTION (EFC) IS INFLUENCED BY THESE FACTORS:

- **The amount the student's parents will be asked to pay from income and assets**
- **The amount the student can contribute from earnings and savings**
- **Family size, age of oldest parent, number of children currently attending college**
- **Special circumstances: Health related expenses, loss of property or death in the family**

FINANCIAL AID

What is Available

 **SCHOLARSHIP APPLICATION FORM**

Read and Understand the instructions.*

☐ Yes, I have

If selected, you will be asked for documentation to support the data you provide. Likewise, all correspondence and award agreements will be generated from the personal information submitted below. So, please use proper spelling, capitalization and punctuation.

1. Personal Data:
Tell us about yourself

Full Name
First Name Middle Name Surname

Social Security Number: (e.g. 1234567890)

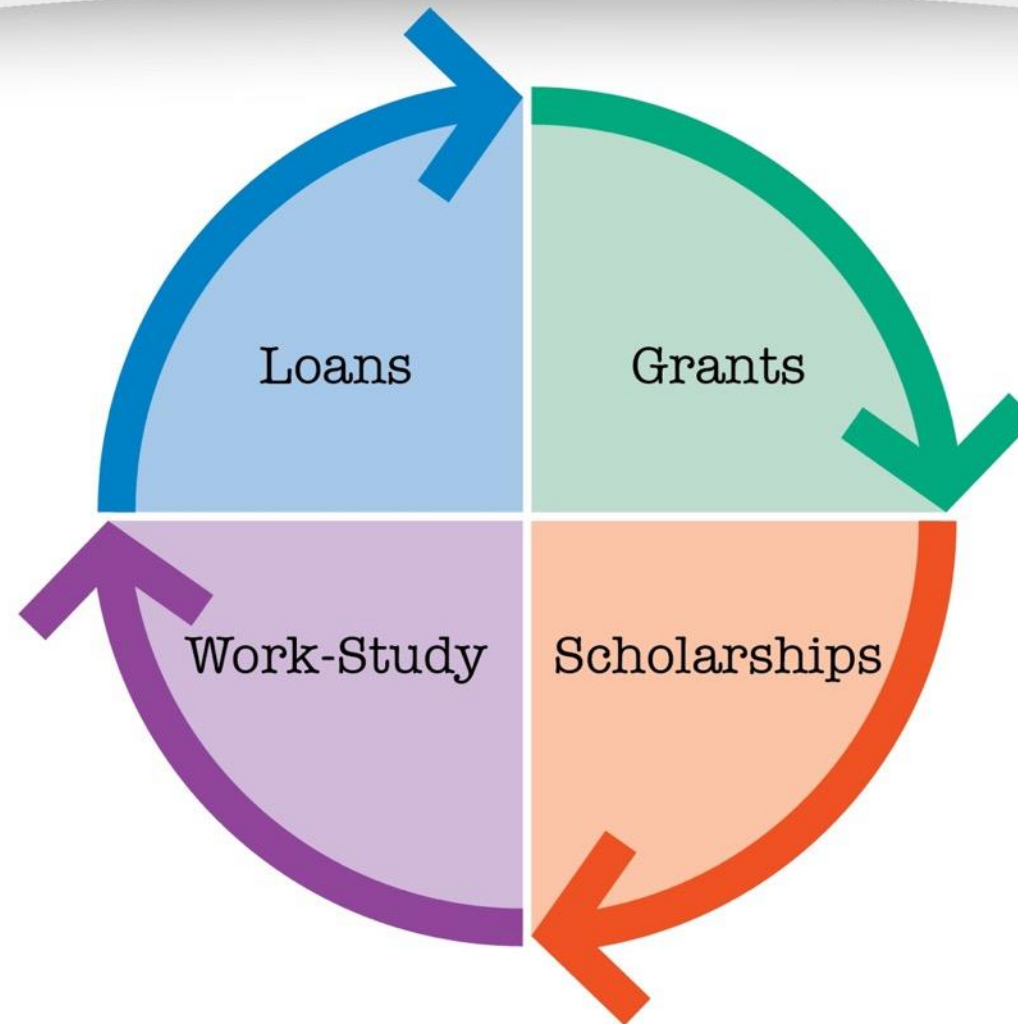
Birthdate: Month Day Year

Mobile No.: Area Code Phone Number

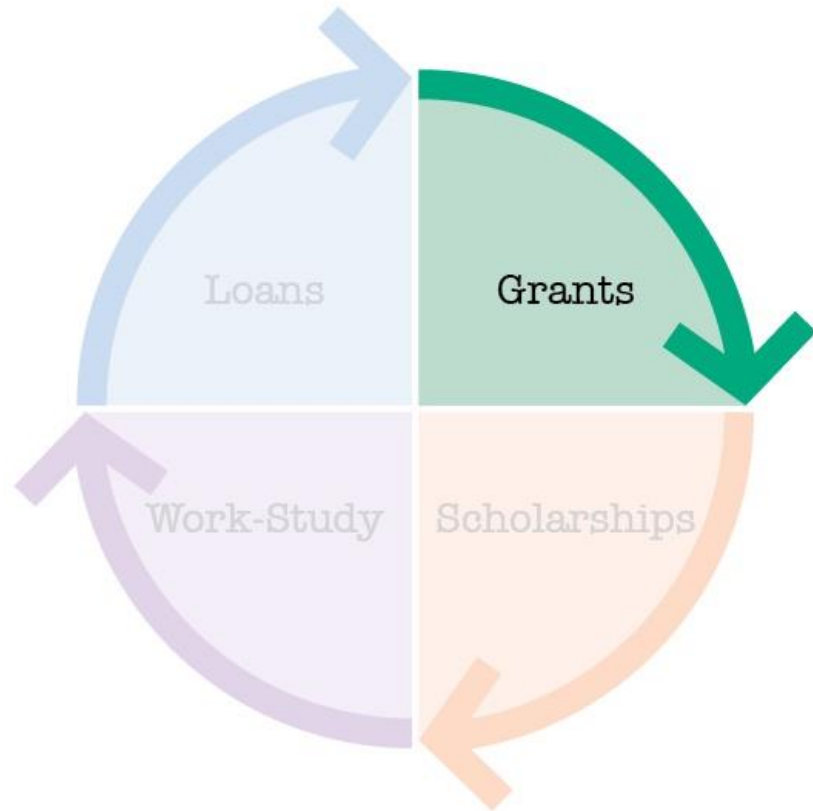
E-mail:

Home Address: Street Address
Street Address Line 2
City State/Province
Postal/Zip Code Postal Code Country

TYPES OF FINANCIAL AID

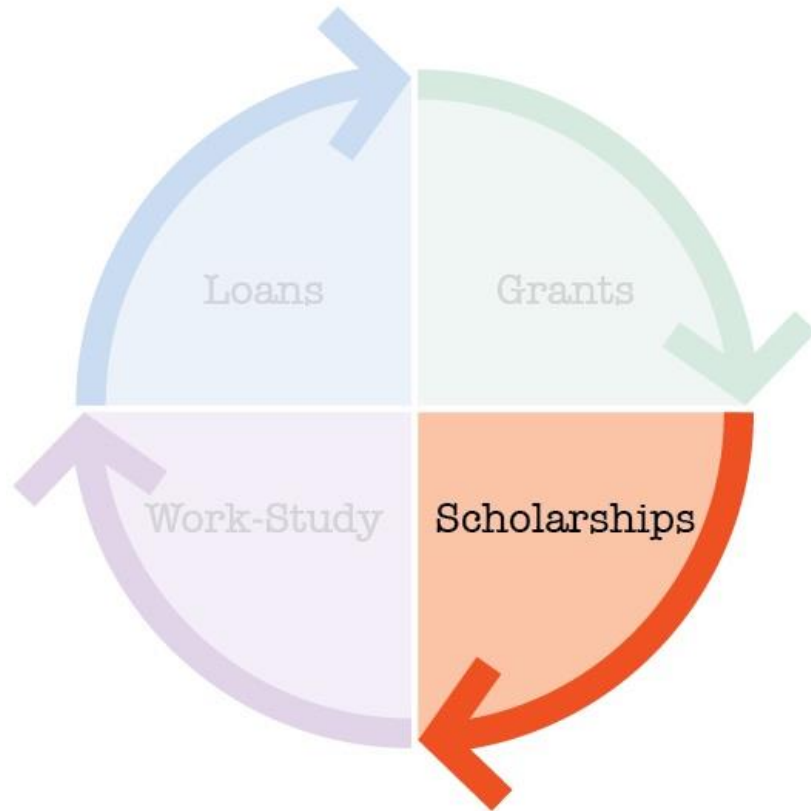


GRANTS



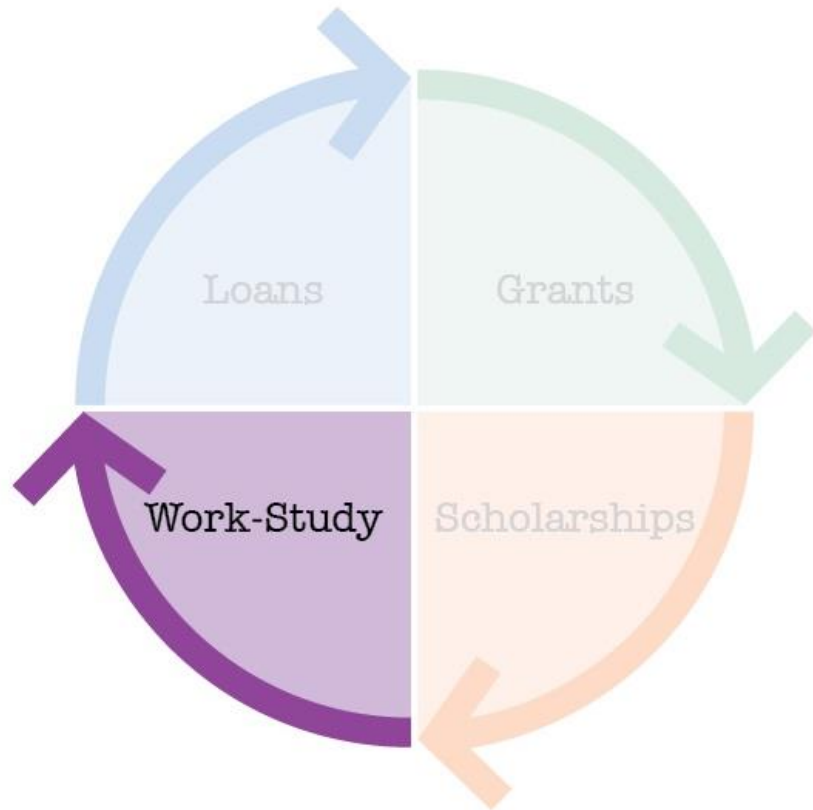
- **Federal Pell Grants**
- **Federal Supplemental Education Opportunity Grants (FSEOG)**
- **State Grants**
- **Institutional Grants**

SCHOLARSHIPS



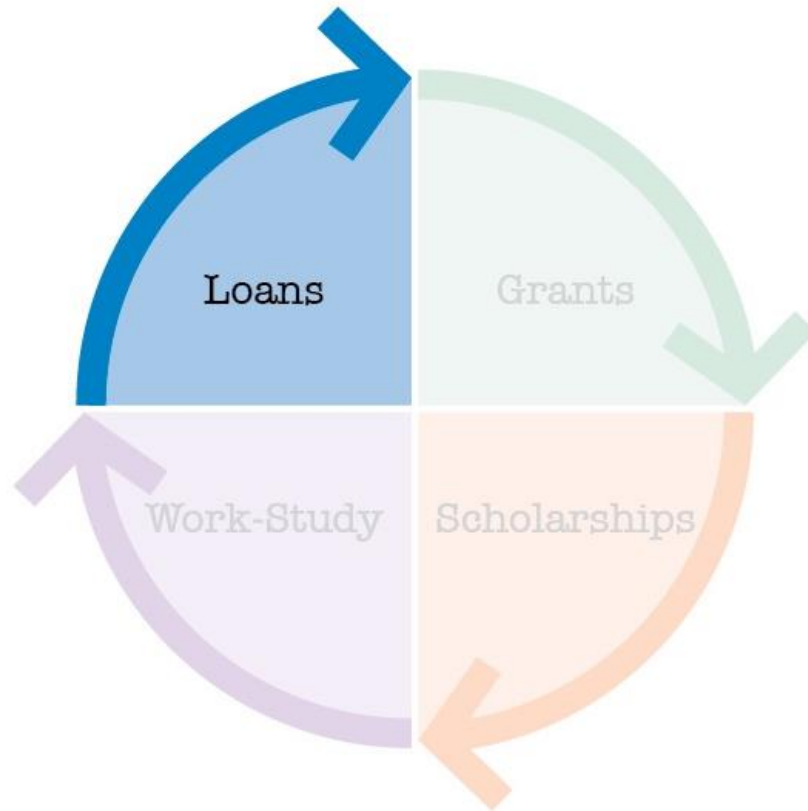
- **Athletic, Academic, Leadership, Theatre, Music**
- **Usually Competitive**
- **Institutional**
- **National**
- **State, Local, or Civic**

WORK-STUDY



- Based on demonstrated need
- Student is provided an on-campus job
- 10 – 15 hours per week and paid directly to student
- Generally above minimum wage

LOANS



- **Direct Subsidized & Unsubsidized**
- **Perkins**
- **PLUS (Parent Loan for Undergraduate Students)**
- **Private Loans**

TRUSTED SOURCES

For More Information

NACAC

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TRUSTED SOURCES

Hundreds of websites purport to offer families advice about financial aid. Not all of them are truly helpful. Not all are accurate.

NACAC has curated a list of trusted, up-to-date sources to help families navigate the process.

THE DEPARTMENT OF EDUCATION



- Financial Aid Toolkit
- 2017 – 18 Counselors & Mentors Handbook
- The National Training for Counselors & Mentors
- Helping Students Navigate the Path to College
- Federal Student Aid (FSA) Website

THE INSTITUTE FOR COLLEGE ACCESS & SUCCESS

the institute for
**college
access & success**

- Income-Based Repayment
- College InSight
- uAspire Handout & Presentation
- Project on Student Debt

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS (NASFAA)



- College Affordability & Transparency
Resources for Counselors
- Student Aid Tips for Unique Populations

CONSUMER FINANCIAL PROTECTION BUREAU



Consumer Financial
Protection Bureau

● Paying for College

NATIONAL COLLEGE ACCESS NETWORK



**National
College
Access
Network**

● **Form Your Future Campaign**

CLOSING THOUGHTS

Planning how to finance a degree has become a more prominent part of the college application process. By becoming aware of the costs associated with college, your family is better positioned to incorporate educational costs into your savings plan.



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